

October 2016 Newsletter



Halloween 2016

This year the staff at P A Hull & Co will be raising money for charity by dressing up for Halloween.

There will be collection boxes on reception for clients who wish to donate, with all money raised going to Age Uk.

Win an iPad...

We will once again be giving one of our clients the opportunity to win an iPad.

To be entered in the prize-draw you need to make sure you get your accounts and tax return information in to us before the 1st December 2016.



Making Tax Digital

From April 2018 there will be a major change to the way HMRC interacts with taxpayers. The new system is known as “making tax digital” and it will eventually impact on every individual and business. Some of the changes being introduced have already begun and the government proposes to have fully implemented the new system by 2020.

What will change?

As announced in the March 2015 Budget by George Osborne, the government intends to introduce a system that will be fit for the digital age. This will include:

- Digital tax accounts for all taxpayers (individuals and businesses)
- Businesses required to maintain their records digitally using software, filing quarterly reports with HMRC
- Real-time updating of information and records held by HMRC
- In time, the end of the self-assessment tax return

For businesses, by far the most significant change is the requirement for digital record keeping. This will involve the use of software or apps to record income and expenditure, which can submit information to HMRC every three months.

ADVISORY FUEL RATE FOR COMPANY CARS

These are the suggested reimbursement rates for employees' private mileage using their company car from 1 September 2016. Where there has been a change the previous rate is shown in brackets.

Engine Size	Petrol	Diesel	LPG
1400cc or less	10p		7p
1600cc or less		9p (8p)	
1401cc to 2000cc	13p (12p)		9p (8p)
1601 to 2000cc		10p	
Over 2000cc	20p (19p)	12p (11p)	13p

The self-employed and landlords who let out rental properties will be the first to move to the digital format from April 2018 for income tax and NIC purposes. From April 2019 those with VAT obligations will enter the new system.

There will be a proposed exemption for businesses with a turnover of under £10,000 per annum, and a potential delay yet to be confirmed for businesses with turnovers just above that amount.

For individuals, the changes have already started with every person able to register a digital tax account with HMRC now. The tax accounts are still very basic and will only contain basic data, but over the coming years they will begin to link up with other information feeds and pre-populate with relevant income details.

Eventually, it will be possible to declare all income using the digital tax accounts and by 2020 the self-assessment tax return will be completely phased out.

How can we help you

P A Hull & Co are committed to helping you with these changes and providing you with solutions that are easy to understand and use.

We can work with you with implementing and maintaining your digital records, making quarterly submissions on your behalf. We will continue to provide the same quality service whilst ensuring that you remain compliant with all the new regulations.

We will provide you with further updates as they emerge but feel free to contact us if you have any queries.

